

a*47-50-114

AN ACT to amend Tennessee Code Annotated, Section 47-50-114, relative to sales representatives.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 47-50-114(a)(2), is amended by deleting the language “does not have a permanent or fixed place of business in this state and who”.

SECTION 2. Tennessee Code Annotated, Section 47-50-114(a), is amended by adding the following as a new subdivision (4):

(4) “Termination” means the end of services performed by the sales representative for the principal whether by discharge, resignation, or expiration of a contract.

SECTION 3. Tennessee Code Annotated, Section 47-50-114(b), is amended by deleting the subsection in its entirety and by substituting instead the following:

(b)(1) The terms of the contract between the principal and sales representative shall determine when a commission becomes due.

(2) If the time when the commission is due cannot be determined by a contract between the principal and sales representative, the past practices between the parties shall control or, if there are no past practices, the custom and usage prevalent in this state for the business that is the subject of the relationship between the parties shall control.

(3) All commissions that are due at the time of termination of a contract between a sales representative and principal shall be paid within fourteen (14) days after the date of termination. Commissions that become due after the termination date shall be paid within fourteen (14) days after the date on which the commissions become due.

SECTION 4. Tennessee Code Annotated, Section 47-50-114, is amended by adding the following as new subsections (e), (f), and (g):

(e) A principal who is not a resident of this state and who enters into a contract subject to this chapter is considered to be doing business in this state for purposes of the exercise of personal jurisdiction over the principal.

(f) A provision of this chapter may not be waived, whether by express waiver or by attempt to make a contract or agreement subject to the laws of another state. A waiver of a provision of this chapter is void.

(g) This chapter does not invalidate or restrict any other right or remedy available to a sales representative or preclude a sales representative from seeking to recover in one (1) action on all claims against a principal.

SECTION 5. This act shall take effect upon becoming a law, the public welfare requiring it.